COLORADO
Department of Public
Health & Environment

Dedicated to protecting and improving the health and environment of the people of Colorado

April 21, 2015

Certified Mail Number: 7005 1820 0000 3207 8128

Leonard Mallett, Senior VP Engineering
Front Range Pipeline LLC
Enterprise Products Operating LLC
PO Box 4324
Houston, TX 77210-4324

RE: Order for Civil Penalty, Number: IP-150421-1

Dear Mr. Mallett:

Front Range Pipeline LLC and Enterprise Products Operating LLC are hereby served with the enclosed Order for Civil Penalty ("Penalty Order"). This Penalty Order is issued by the Colorado Department of Public Health and Environment's Water Quality Control Division (the "Division") pursuant to the authority given to the Division by §25-8-608(2) of the *Colorado Revised Statutes*. Payment of the imposed civil penalty should be made in accordance with the methods referenced in the Penalty Order.

If you have any questions regarding the Penalty Order or the payment method, please do not hesitate to contact Eric Mink of this office at (303) 692-2312 or by electronic mail at eric.mink@state.co.us.

Sincerely,

Eric T. Mink, Enforcement Specialist
Clean Water Enforcement Unit
WATER QUALITY CONTROL DIVISION

Enclosure(s)

cc: Enforcement File

ec: Natasha Davis, EPA Region VIII
Brian Hlavacek, Tri-County Health Department
Tom Gonzales, El Paso County Public Health
Jiricek Trevor, Weld County Department of Public Health and Environment
Nicole Rowan, Watershed Section, CDPHE
Michael Beck, Grants and Loans Unit, CDPHE
Doug Camrud, Engineering Section, CDPHE
Amy Zimmerman, Engineering Section, CDPHE
Kelly Jacques, Field Services Section, CDPHE
Heather Drissel, Field Services Section, CDPHE
Lillian Gonzalez, Permits Section, CDPHE
Mike Harris, Compliance & Enforcement Unit, CDPHE
Tania Watson, Data Management, CDPHE

COLORADO
Department of Public Health & Environment

WATER QUALITY CONTROL DIVISION

ORDER FOR CIVIL PENALTY **NUMBER: IP-150421-1**

IN THE MATTER OF: **FRONT RANGE PIPELINE LLC and ENTERPRISE PRODUCTS OPERATING LLC CDPS PERMIT NO. COG-604000 CERTIFICATION NO. COG-604190 ARAPAHOE, EL PASO, and WELD COUNTIES, COLORADO**

This matter having come to my attention as the Designee of the Executive Director of the Colorado Department of Public Health and Environment, pursuant to §25-8-608 C.R.S, I hereby impose a civil penalty in the amount of Seventy-Five Thousand Dollars ($75,000.00) against Front Range Pipeline LLC and Enterprise Products Operating LLC for the violations cited in the March 12, 2015 Compliance Order on Consent (Number: IC-150312-2). A copy of the Compliance Order on Consent is attached hereto as Exhibit A and is incorporated herein by reference. The civil penalty shall be paid within thirty (30) calendar days of the date of this Order for Civil Penalty, as set forth in the Compliance Order on Consent.

"Method of payment shall be by certified or cashier's check drawn to the order of the 'Colorado Department of Public Health and Environment,' and delivered to:

Eric T. Mink
Colorado Department of Public Health and Environment
Water Quality Control Division
Mail Code: WQCD-CWE-B2
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530"

Dated this 21st day of April 2015.

Patrick J. Pfaltzgraff, Director
Water Quality Control Division
DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT

EXHIBIT A

COLORADO

Department of Public Health & Environment

WATER QUALITY CONTROL DIVISION

COMPLIANCE ORDER ON CONSENT **NUMBER: IC-150312-2**

IN THE MATTER OF: **FRONT RANGE PIPELINE LLC and ENTERPRISE PRODUCTS OPERATING LLC CDPS PERMIT NO. COG-604000 CERTIFICATION NO. COG-604190 ARAPAHOE, EL PASO, and WELD COUNTIES, COLORADO**

The Colorado Department of Public Health and Environment ("Department"), through the Water Quality Control Division ("Division"), issues this Compliance Order on Consent ("Consent Order"), pursuant to the Division's authority under §§25-8-602 and 605, C.R.S. of the Colorado Water Quality Control Act ("Act") §§25-8-101 to 803, C.R.S., and its implementing regulations, with the express consent of Front Range Pipeline, LLC ("Front Range Pipeline") and Enterprise Products Operating, LLC ("Enterprise Products"). The Division, Front Range Pipeline, and Enterprise Products may be referred to collectively as "the Parties."

STATEMENT OF PURPOSE

1. The mutual objectives of the Parties in entering into this Consent Order are to resolve, without litigation, the civil penalties associated with alleged violations cited herein and in the Notice of Violation, Number: IN-140624-1 (the "NOV"), that the Division issued to Front Range Pipeline and Enterprise Products on June 24, 2014.

DIVISION'S FINDINGS OF FACT AND DETERMINATION OF VIOLATIONS

2. Based upon the Division's investigation into and review of the compliance issues identified herein, and in accordance with §§25-8-602 and 605, C.R.S., the Division has made the following determinations regarding Front Range Pipeline and Enterprise Products, and Front Range Pipeline's and Enterprise Products' compliance with the Act and their permit issued pursuant to the Act.

3. At all times relevant to the alleged violations identified herein, Front Range Pipeline was a Delaware limited liability company in good standing and registered to conduct business in the State of Colorado.

4. At all times relevant to the alleged violations identified herein, Enterprise Products was a Texas limited liability company in good standing and registered to conduct business in the State of Colorado.

5. Front Range Pipeline and Enterprise Products are each a "person" as defined by §25-8-103(13), C.R.S. and its implementing permit regulation, 5 CCR 1002-61, §61.2(73).

6. On July 24, 2013, Front Range Pipeline and Enterprise Products applied for Colorado Discharge Permit System ("CDPS") coverage for the Spread 1 Pipeline Project, which included hydrostatic test activities associated with a new natural gas liquids pipeline. The hydrostatic testing activities included discharging potable water used during hydrostatic testing to the ground and surface water at multiple locations in Arapahoe, El Paso, and Weld Counties, Colorado (the "Project").

7. The Project was subject to the CDPS General Permit No. COG-604000 for Discharges Associated with Hydrostatic Testing of Pipelines, Tanks, and Similar Vessels (the "Permit"). The Permit became effective on January 1, 2008 and was set to expire on December 31, 2012, but has been administratively continued pending permit reissuance. Front Range Pipeline and Enterprise Products were authorized by the Division to discharge hydrostatic test water under the Permit via Certification Number COG-604190 (the "Certification"), which serves as page one (1) of the Permit. The Certification became effective on August 1, 2013 and subsequent modifications #1-5 added or relocated discharge locations. The Certification and Front Range Pipeline's and Enterprise Products' coverage under the Permit was terminated at the request of Front Range Pipeline and Enterprise Products on April 1, 2014.

8. The Permit and Certification authorized Front Range Pipeline and Enterprise Products to discharge hydrostatic test water from the Project through the discharge locations identified in the table below:

FRONT RANGE PIPELINE and ENTERPRISE PRODUCTS OUTFALLS		
OUTFALL NUMBER	**LATITUDE AND LONGITUDE**	**RECEIVING WATER**
001A	40° 15' 43.20" N 104° 44' 9.60" W	Groundwater
002A	40° 8' 20.40" N 104° 45' 0.00" W	Groundwater
003A	40° 21' 10.80 N 104° 35' 20.40" W	Groundwater
004A	39° 7' 40.80" N 104° 15' 43.20" W	Groundwater and Antelope Creek
005A	39° 44' 18.7" N 104° 32' 49.30" W	Groundwater

9. The receiving waters indentified in the table above are "state waters" as defined by §25-8-103(19), C.R.S. and its implementing permit regulation, 5 CCR 1002-61, §61.2 (102).

10. Pursuant to 5 CCR 1002-61, §61.8, Front Range Pipeline and Enterprise Products must comply with all the terms and conditions of the Permit, and violations of such terms and conditions as specified in the Permit may be subject to civil and criminal liability pursuant to §§25-8-601 through 25-8-612, C.R.S.

Failure to Comply with Permit Effluent Limitations

11. Pursuant to the Certification and Part I.B.2.a. of the Permit, Front Range Pipeline's and Enterprise Products' permitted discharge at Outfalls 001A through 005A shall not exceed, among others not subject of this action, the effluent limitations specified below:

FRONT RANGE PIPELINE and ENTERPRISE PRODUCTS DISCHARGE LIMITATIONS		
EFFLUENT PARAMETER	**OUTFALL(S)**	**DAILY MAXIMUM**
Iron (Dissolved), ug/l	001A, 002A, 004A, 005A	300
pH, s.u. (minimum-maximum)	002A, 005A	6.5 - 8.5
pH, s.u. (minimum-maximum) Until 10/10/13 Beginning 10/11/13	004A	 6.5 - 9.0 6.5 - 8.5
Total Suspended Solids (TSS), mg/l	004A	30

12. Pursuant to the Certification and Part I.B.2.a. of the Permit, Front Range Pipeline and Enterprise Products were required to monitor defined effluent parameters at specified frequencies to provide an indication of compliance or non-compliance with the effluent limitations of the Certification and Permit.

13. Pursuant to Part I.E.1. of the Permit, Front Range Pipeline and Enterprise Products were required to summarize and report the analytical results of their effluent monitoring to the Division via monthly discharge monitoring reports ("DMRs"). Each DMR shall include a certification by Front Range Pipeline and Enterprise Products that the information provided therein is true, accurate, and complete to the knowledge and belief of Front Range Pipeline and Enterprise Products.

14. Front Range Pipeline's and Enterprise Products' DMRs for August 2013 through January 2014 include, among other information and data, the following effluent concentration summary data for dissolved iron, pH, and total suspended solids ("TSS") which exceeded the effluent limitations imposed by the Certification and Part I.B.2.a. of the Permit:

EXHIBIT A

FRONT RANGE PIPELINE and ENTERPRISE PRODUCTS EFFLUENT SELF-MONITORING DATA		
DISCHARGE MONITORING REPORTING PERIOD	**OUTFALL NUMBER**	**SAMPLE MEASUREMENT**
IRON (DISSOLVED)		**DAILY MAXIMUM LIMIT= 300 ug/l**
August 1-31, 2013	001A	1,240
September 1-30, 2013	002A	1,330
October 1-31, 2013	004A	5,300
December 1-31, 2013	002A	3,400
January 1-31, 2014	002A	2,050
January 1-31, 2014	005A	3,490
pH		**MAXIMUM LIMIT= 9.0 S.U.**
October 1-31, 2013	004A	9.11
pH		**MAXIMUM LIMIT= 8.5 S.U.**
September 1-30, 2013	002A	8.59
January 1-31, 2014	005A	8.71
TSS		**DAILY MAXIMUM LIMIT= 30 mg/l**
October 1-31, 2013	004A	220

15. Dissolved iron, pH, and TSS are "pollutants," or indicators thereof, as defined by §25-8-103(15), C.R.S., and its implementing permit regulation 5 CCR 1002-61, §61.2(76).

16. The Certification and Permit did not authorize the pollutant discharge levels identified above in paragraph 14. Division records establish that Front Range Pipeline and Enterprise Products did not have any other permit authorizing such discharge into State Waters.

17. Front Range Pipeline's and Enterprise Products' failure to comply with the effluent limitations of the Certification and Permit constitutes violations of the Certification and Part I.B.2.a. of the Permit.

Failure to Properly Monitor and Report

18. Pursuant to Part I.E.1. of the Permit, Front Range Pipeline and Enterprise Products were required to report all monitoring results gathered in compliance with Part I.B.2. of the Permit on a monthly basis using Division approved DMRs. The Permit specifies that DMRs shall be filled out accurately and completely in accordance with requirements of the Permit and the instructions on the forms. Front Range Pipeline and Enterprise Products were required to ensure the DMRs were

mailed to the Division so that they were received no later than the 28th day of the month following the reporting period. If no discharge occurs during a reporting period, "No Discharge" shall be reported on the DMR.

19. Division records establish that Front Range Pipeline and Enterprise Products failed to submit DMRs to the Division by the 28th day of the month following the reporting period, for the following periods and outfalls:

FRONT RANGE PIPELINE and ENTERPRISE PRODUCTS LATE DMR		
DISCHARGE MONITORING REPORTING PERIOD	**OUTFALL NUMBER(S)**	**DMR RECEIPT DATE**
August 21-31, 2013	002A	February 3, 2014
September 1-30, 2013	001A, 002A, 003A, 004A	October 29, 2013
November 1-30, 2013	001A, 002A, 003A, 004A	December 31, 2013
December 1-31, 2013	001A, 002A, 003A, 004A, 005A	January 31, 2013
January 1-31, 2014	001A, 002A, 003A, 004A, 005A	March 18, 2014

20. Division records establish that Front Range Pipeline's and Enterprise Products' December 2013 and January 2014 DMRs for Outfall 002A (as received on January 31, 2013 and March 18, 2014, respectively) did not contain monitoring data for total dissolved solids ("TDS"). Front Range Pipeline and Enterprise Products subsequently revised and resubmitted the December 2013 and January 2014 DMRs for Outfall 002A to include the results of TDS monitoring, and the revised DMRs were received by the Division on April 1, 2014.

21. Front Range Pipeline's and Enterprise Products' failure to submit complete DMRs to the Division by the 28th day of the month following each reporting period, as identified above in paragraphs 19 and 20, constitutes violations of Part I.E.1. of the Permit.

22. Division records, as supplemented by correspondence from Front Range Pipeline and Enterprise Products, establish that Front Range Pipeline and Enterprise Products failed to monitor for TDS at Outfall 005A during the month of January 2014.

23. Front Range Pipeline's and Enterprise Products' failure to properly monitor the effluent discharge for TDS constitutes a violation of Part I.B.2.a. of the Permit.

ORDER AND AGREEMENT

24. Based on the foregoing factual and legal determinations, pursuant to its authority under §§25-8-602 and 605, C.R.S., and in satisfaction of the civil penalties associated with the alleged violations cited herein and in the NOV, the Division orders Front Range Pipeline and Enterprise Products to comply with all provisions of this Consent Order, including all requirements set forth below.

25. Front Range Pipeline and Enterprise Products agree to the terms and conditions of this Consent Order. Front Range Pipeline and Enterprise Products agree that this Consent Order constitutes a notice of alleged violation and an order issued pursuant to §§25-8-602 and 605, C.R.S., and is an enforceable requirement of the Act. Front Range Pipeline and Enterprise Products also agree not

to challenge directly or collaterally, in any judicial or administrative proceeding brought by the Division or by Front Range Pipeline and Enterprise Products against the Division:

a. The issuance of this Consent Order;
b. The factual and legal determinations made by the Division herein; and
c. The Division's authority to bring, or the court's jurisdiction to hear, any action to enforce the terms of this Consent Order under the Act.

26. Notwithstanding the above, Front Range Pipeline and Enterprise Products do not admit to any of the factual or legal determinations made by the Division herein, and any action undertaken by Front Range Pipeline and Enterprise Products pursuant to this Consent Order shall not constitute evidence of fault or liability by Front Range Pipeline and Enterprise Products with respect to the conditions of the Project. Front Range Pipeline and Enterprise Products expressly reserve their right to deny any of the Division's factual or legal determinations and defend themselves in any other third party proceeding relating to the information identified in this Consent Order.

CIVIL PENALTY

27. Based upon the factors set forth in §25-8-608(1), C.R.S., and consistent with Departmental policies for violations of the Act, Front Range Pipeline and Enterprise Products shall pay a total of Seventy-Five Thousand Dollars ($75,000) in civil penalties. The Division intends to petition the Executive Director, or his designee, to impose the Seventy-Five Thousand Dollar ($75,000) civil penalty for the above violation(s) and Front Range Pipeline and Enterprise Products agree to make the payment within thirty (30) calendar days of the issuance of an Order for Civil Penalty by the Executive Director or his designee. Method of payment shall be by certified or cashier's check drawn to the order of the "Colorado Department of Public Health and Environment," and delivered to:

Eric T. Mink
Colorado Department of Public Health and Environment
Water Quality Control Division
Mail Code: WQCD-CWE-B2
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530

SCOPE AND EFFECT OF CONSENT ORDER

28. The Parties agree and acknowledge that this Consent Order constitutes a full and final settlement of the civil penalties associated with the violations cited herein and in the NOV.

29. This Consent Order is subject to the Division's "Public Notification on Administrative Enforcement Actions Policy," which includes a thirty (30) day public comment period. The Division and Front Range Pipeline and Enterprise Products each reserve the right to withdraw consent to this Consent Order if comments received during the 30 day period result in any proposed modification to the Consent Order.

30. This Consent Order constitutes a final agency order or action upon the date when the Executive Director or his designee imposes the civil penalty following the public comment period. Any violation of the provisions of this Consent Order by Front Range Pipeline and Enterprise Products, including any false certifications, shall be a violation of a final order or action of the Division for

the purpose of §25-8-608, C.R.S., and may result in the assessment of civil penalties of up to ten thousand dollars per day for each day during which such violation occurs.

31. Notwithstanding paragraph 27 above, the violations described in this Consent Order will constitute part of Front Range Pipeline's and Enterprise Products' compliance history.

LIMITATIONS, RELEASES AND RESERVATION OF RIGHTS AND LIABILITY

32. Upon the effective date of this Consent Order, and during its term, this Consent Order shall stand in lieu of any other enforcement action by the Division with respect to civil penalties for the specific instances of violations cited herein and in the NOV. The Division reserves the right to bring any action to enforce this Consent Order, including actions for penalties or the collection thereof, and/or injunctive relief.

33. This Consent Order does not grant any release of liability for any violations not specifically cited herein.

34. Front Range Pipeline and Enterprise Products reserve their rights and defenses regarding the Project other than proceedings to enforce this Consent Order.

35. Nothing in this Consent Order shall preclude the Division from imposing additional requirements necessary to protect human health or the environment and to effectuate the purposes of the Consent Order. Nor shall anything in this Consent Order preclude the Division from imposing additional requirements in the event that additional information is discovered that indicates such requirements are necessary to protect human health or the environment.

36. Front Range Pipeline and Enterprise Products releases and covenants not to sue the State of Colorado or its employees, agents or representatives as to all common law or statutory claims or counterclaims or for any injuries or damages to persons or property resulting from acts or omissions of Front Range Pipeline and Enterprise Products, or those acting for or on behalf of Front Range Pipeline and Enterprise Products, including their officers, employees, agents, successors, representatives, contractors, consultants, or attorneys in carrying out activities pursuant to this Consent Order. Nothing in this Consent Order shall constitute an express or implied waiver of immunity otherwise applicable to the State of Colorado, its employees, agents, or representatives.

NOTICES

37. Unless otherwise specified, any report, notice, or other communication required under the Consent Order shall be sent to:

For the Division:

Eric T. Mink
Colorado Department of Public Health and Environment
Water Quality Control Division
Mail Code: WQCD-CWE-B2
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530
Telephone: 303-692-2312
E-mail: eric.mink@state.co.us

EXHIBIT A

For Front Range Pipeline and Enterprise Products:

Leonard W. Mallett, Group SVP, Engineering
P.O. Box 4324
Attn: Environmental 20th Floor
Houston, TX 77210-4324

MODIFICATIONS

38. This Consent Order may be modified only upon mutual written agreement of the Parties.

NOTICE OF EFFECTIVE DATE

39. This Consent Order shall be fully effective, enforceable and constitute a final agency action upon the date when the Executive Director or his designee imposes the civil penalty following closure of the public comment period referenced in paragraph 30. If the penalty as described in this Consent Order is not imposed, or an alternate penalty is imposed, this Consent Order becomes null and void.

BINDING EFFECT AND AUTHORIZATION TO SIGN

40. This Consent Order is binding upon Front Range Pipeline and Enterprise Products and their corporate subsidiaries or parents, their officers, directors, employees, successors in interest, and assigns. The undersigned warrant that they are authorized to legally bind their respective principals to this Consent Order. In the event that a party does not sign this Consent Order within thirty (30) calendar days of the other party's signature, this Consent Order becomes null and void. This Consent Order may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Consent Order.

FOR FRONT RANGE PIPELINE LLC and ENTERPRISE PRODUCTS OPERATING LLC:

_____ Date: 3-10-2015

Leonard W. Mallett, Group SVP, Engineering
Front Range Pipeline LLC
Enterprise Products Operating LLC

FOR THE COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT:

_____ Date: 12 Mar 15

Patrick J. Pfaltzgraff, Director
WATER QUALITY CONTROL DIVISION